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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA HQ USAF FOR XOXX DA WASHDC FOR SASA JOINT STAFF WASHDC FOR PA CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR COMSOCEUR VAIHINGEN GE FOR PAO/POLAD COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

STPDTS

E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

All major media, except Maariv, led with President ObamaQs statement at the State Department yesterday that it Qwill be the policy of my administration to actively and aggressively seek a lasting peace between Israel and the Palestinians as well as Israel and its Arab neighbors.Q President Obama was quoted as saying that the outline

for a "durable cease-fire" in Gaza was clear. The media noted that the President called on Israel to open the Gaza border crossings. HaQaretz reported that FM Tzipi Livni spoke with Secretary of State Hillary Clinton and told her that Israel would not open the Gaza crossings without progress toward the release of kidnapped soldier Gilad Shalit. The media reported that yesterday Obama on Thursday named former Sen. George Mitchell as his Middle East envoy, saying that one of his key tasks would be ensuring that the cease-fire in Gaza lasts. Leading media quoted a senior GOI source as saying that Mitchell will arrive in Israel even before the Knesset elections on February 10. Israel Radio quoted Mitchell as saying that there is no conflict that does not have a solution. Yediot noted that he is remembered in Israel for his 2001 report calling for a freeze in settlement building.

Israel Radio quoted senior Israeli officials as saying that ObamaQs remarks arouse hope that they will be translated into diplomatic activity that will lead to a resolution of the Middle East conflict. They said that Israel is allowing hundreds of supply trucks into the Gaza Strip and never opposed such actions.

PM Ehud Olmert was quoted as saying in an interview with Maariv that he and outgoing Secretary of State Condoleezza Rice did not actually fight and that this matter was exaggerated

HaQaretz quoted a senior Israeli diplomatic source as saying that Israel has taken a favorable view of an Egyptian request to increase the force of its border quards along the Philadelphi Route by at least 750 -- and possibly as much as 1,500. Maariv reported that Hamas is unwilling to make any changes in its terms for releasing Gilad Shalit, i.e., the release of all the prisoners on the list given to Egypt. Maariv and Israel Radio reported that the Shin Bet spokesman denied yesterdayQs media reports that Shin Bet Director Yuval Diskin had changed his position in regard to releasing prisoners in return for Gilad Shalit. radio reported that in a statement that he issued, Diskin said that the Shin BetQs position was presented to all the relevant parties and has no connection with the results of the operation in Gaza. Israel Radio quoted the international paper Al-Hayat as saying that Amos Gilad, the head of the Defense Ministry's political-security bureau, told Egyptian leaders yesterday that Israel is not interested in a new period of calm but in guarantees that arms smuggling, etc., will not resume.

The Jerusalem Post quoted unofficial IDF figures that that only 150 of the 900 confirmed Palestinian fatalities casualties were civilians. HaQaretz reported that a doctor at Gaza's Shifa Hospital told Lorenzo Cremonesi, the Gaza correspondent of the Italian daily Corriere Della Sera that the number of Palestinians killed in Gaza during Operation Cast Lead might have been 500 or 600, mostly young men between the ages of 17 and 23, "drafted by Hamas, who sent them to the slaughter." Yediot reported that Gazans told Cremonesi that armed Hamas fighters entered their homes to hide from IDF troops.

The Jerusalem Post quoted a PA official in Ramallah as saying yesterday that Israel made a Qbig mistakeQ by ending Operation Cast Lead without overthrowing the Hamas regime. Makor Rishon-Hatzofe quoted a senior IDF officer as saying that Israel refrained from assassinating Hamas PM Ismail Haniyeh because it did not want to harm HamasQs less radical faction.

The media reported that the three major parties intensified their election campaigns. Likud Chairman Benjamin Netanyahu promised to lower taxes.

Maariv reported that Defense Ministry officials have not yet received details from the U.S. about the ship that was carrying arms that came from Iran in its hold, which was stopped last Monday in the Red Sea. It is suspected that the arms were sent by Iran for Hamas in Gaza.

Yediot reported that the U.S. is denying a visa from Prof. Uzi Arad, who was NetanyahuQs strategic adviser. The newspaper cited informal information that reached Arad that the refusal is linked to his name being implicated in an embarrassing affair in U.S.-Israel relations.

HaQaretz and other media reported that the Hadash party's Internet

sites offer different messages about the recent war in Gaza depending on whether you view them in Hebrew or Arabic. In Arabic, the site quotes a senior party official proclaiming "We are with the resistance everywhere" -- a statement that could be interpreted as support for Palestinian terrorist organizations. In contrast, the party's two Hebrew-language Web sites denounce the war without expressing support for terrorist organizations.

Makor Rishon-Hatzofe cited the disappointment of the friends of convicted spy Jonathan Pollard, whom outgoing President Bush did not pardon.

The media reported that the American Academy of Motion Picture Arts and Sciences announced yesterday that the Israeli movie "Waltz with Bashir" will be one of the five finalists competing for the Best Foreign Language Film award at the Oscars on February 22.

HaQaretz (English Ed.) quoted the IDF as saying that the Intelligence Corps' unit for monitoring foreign media, which used to be among the army's most important units for native speakers of English, has dropped its former recruiting requirement for mother-tongue knowledge of that language.

Leading media reported that the U.S. Justice Department announced yesterday that El Al Israel Airlines Ltd, together with two other carriers, has agreed to plead guilty and pay criminal fines totaling \$124.7 million for their roles in a conspiracy to fix prices in the air cargo industry. Under the plea agreement, El Al has agreed to pay a criminal fine of \$15.7 million.

Maariv and Yediot published two similar public opinion surveys:

Maariv presented the results of a TNS/Teleseker poll on voting intentions for the Knesset elections: (In brackets: Maariv's January 29 poll):
If the Knesset elections were to be held today, for which party would you vote?
Likud 28 (28); Kadima: 24 (26); Labor Party: 16 (17): Yisrael

Beiteinu: 16 (14); Shas: 9 (9); Arab parties: 9 (10); United Torah Judaism: 6 (5); Meretz: 6 (5); National-Religious Party-Jewish Home 4 (3); National Union 2 (3).

Mideast:

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Summary:

Senior op-ed writer Akiva Eldar commented in the independent, left-leaning Ha'aretz: QContrary to expectations by the candidates to the Israeli premiership, the economic crisis in the U.S. hasnQt pushed the Israeli-Arab crisis into the margins of the new administrationQs agenda.

Senior columnist and longtime dove Yoel Marcus wrote on page one of Ha'aretz: QThe next Israeli government will have to watch itself and not do anything rash. It will have to give up the habit of telling the Americans what is good for them.

Liberal columnist and anchor Ofer Shelach wrote in the popular, pluralist Maariv: QThe President who promised to remove America from Iraq and who swore in his speech that QAmerica must play its role in ushering in a new era of peaceQ will no longer let its allies do what they want just because they are allies.

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post: QWhile the basic goal of the IRA was to bring about a united Ireland, it never posited as its aim the replacement of England with Ireland.

Editor-in-Chief Amnon Lord wrote in the editorial of the nationalist, Orthodox Makor Rishon-Hatzofe (1/23): QThe Great Black Hope, Barack Obama ... is also a threat to Middle Eastern stability.... [Conversely] the leaders of Europe are united with Israel against Hamas and Iran.

Block Quotes:

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## ¶I. "A Signal to Netanyahu"

Senior op-ed writer Akiva Eldar commented in the independent, left-leaning Ha'aretz (1/23): QContrary to expectations by the candidates to the Israeli premiership, the economic crisis in the U.S. hasnQt pushed the Israeli-Arab crisis into the margins of the new administrationQs agenda... ObamaQs declaration that the solution, Qtwo states for two nations,Q was intended for Israelis to forget ideas such as the transfer of Gaza to the Egyptians and the renewal of the PalestiniansQ link to Jordan. The end of the war in Gaza has allowed Obama to express understanding and even support for IsraelQs aggressive approach vis-a-vis Hamas. In exchange, the new President may ask Israel to show understanding and support for agreements it committed itself to, such as the QRoadmapQ and the Mitchell plan. Now that Mitchell is coming, Israel will have to present receipts.

# II. "And the Centrifuges Spin On"

Senior columnist and longtime dove Yoel Marcus wrote on page one of Ha'aretz (1/23): QAmong the people Obama has appointed, there are several experts on what is going on here, and they have solid opinions about the kind of concessions they believe Israel must make. In their eyes, even Ehud Barak is too right wing. In practice, Hillary Clinton will be the person most involved in our affairs. It is crucial that we work with her and not against her, and that we don't try to bypass her via the President or Vice President, who is considered a friend of Israel. We will have to change the way we play the game. The long and the short of it is that we need to conduct ourselves differently with this new administration. Like porcupines making love, e will need to be very careful. The next Israel government will have to watch itself and not doanything rash. It will have to give up the habit f telling the Americans what is good for them. bama may try to solve our grave defense problems with Hizbullah, Hamas, Syria, and Iran, which hav now been laid bare for all to see, by calling for dialogue or reordering priorities, but it is worh remembering -and reminding the world -- that for the moment, Iran's centrifuges are busy spinning, night and day.

# III. "A Question of Values"

Liberal columnist and anchor Ofer Shelach wrote in the popular, pluralist Maariv (1/23): Q[ObamaQs] worldview will have repercussions from Washington to Jerusalem: the division between the good and the bad guys will remain, but the Qgood guysQ will no longer be able to do what they want just because they are on the American side of the line... Equating the adversary with the term of Qglobal terrorQ will no longer justify everything. The President who promised to remove America from Iraq and who swore in his speech that QAmerica must play its role in ushering in a new era of peace will no longer let its allies do what they want just because they are allies.

#### IV. "Meet our new Peace Processor"

Diplomatic correspondent Herb Keinon wrote in the conservative, independent Jerusalem Post (1/23): QIn selecting [George] Mitchell, the new U.S. President has chosen a man who believes that all troubles have solutions, that no problem is intractable. He has chosen a man who believes in conflict resolution, not merely conflict management, which -Q to a large degree Q- was the default setting of the Bush administration and the Sharon and Olmert governments... With the appointment of Mitchell [as U.S. envoy to the Middle East Peace Process], many will now draw parallels between the two conflicts [Northern Ireland and the Middle East]. It is, therefore, instructive also to look at the differences. The first important difference is that while the basic goal of the IRA was to bring about a united Ireland, it never posited as its aim the replacement of England with Ireland.... Furthermore, while the IRA hated the British -Q while they saw Britain as the enemy -Q they never denied the legitimacy of the British state.

## ¶V. QAmerica Is Gone; Europe Is Coming

Editor-in-Chief Amnon Lord wrote in the editorial of the nationalist, Orthodox Makor Rishon-Hatzofe (1/23): QThe Great Black Hope, Barack Obama ... is also a threat to Middle Eastern stability. Israel has led a new status quo, the beginning of a new realignment along the Mediterranean coast, while Obama, according to his declarations, also intends to handle the Israeli-Palestinian conflict at once. He is also surrounded by advisors who tell him to engage in negotiations with Hamas.... The leaders of Europe are united with Israel against Hamas and Iran.

## CUNNINGHAM